

Announcing the Availability of Section 8 Project-Based
Vouchers (PBV) for Projects Receiving
Affordable Housing Trust Funds (AHTF)

Amended August 3, 2006



A maximum of 100 Section 8 PBV vouchers will be made available to projects located outside of the City of Boston that have been selected for funding by the MA Affordable Housing Trust Fund (AHTF). The AHTF provides resources to create or preserve affordable housing. This program is administered by Mass Housing on behalf of DHCD.

DHCD expects these PBV vouchers to be available in late 2007. All PBV voucher reservations are subject to available funding from HUD and DHCD. PBV contract authority can be requested for up to 10 years, with the option to renew. PBV funds will be used to pay the owner a portion of the monthly rent on behalf of eligible households whose incomes must generally be at or below 30% of the area median income (AMI), and in no case can exceed 50% of AMI. No demolition or construction can begin until an Agreement to enter into a Housing Assistance Payments (AHAP) contract is signed; therefore, projects that are already in construction cannot receive PBV assistance. Prior to AHAP: 1) a subsidy layering review for projects with any form of federal, state or local housing assistance, including tax credits and tax concessions, must be approved by HUD or a HUD designated agency; and, 2) an environmental review performed in accordance with 24 CFR 58 must also be completed and approved by HUD.

Maximum Proposal Request: Eight (8) units, or 25% of a building's total units, whichever is less. Exceptions to the 25% limit (not to exceed eight units) are permitted for units that will house: 1) the elderly; 2) the disabled; or 3) those where one or more members will participate in a program of supportive services throughout the term of the PBV Housing Assistance Payments (HAP) contract.

Unit Size Requirements: 1) Family units of 2 or more bedrooms; 2) SRO and Enhanced SRO (ESRO) units targeted to the homeless or those at risk of homelessness; 3) assisted living units for the elderly (62 years or older) or disabled. At the discretion of DHCD, up to 20 of the 100 PBVs may be awarded to units not meeting these criteria. Preference will be given to projects targeted to family housing. Projects intended to use the PBV vouchers to serve a

population having a specific disability and/or be targeted to clients of a particular provider agency are not eligible. DHCD reserves the right to limit the number of vouchers awarded to each project.

Tenants will be referred exclusively from the appropriate DHCD regional administrating agency PBV project-specific waiting list. Sponsors must agree to comply with all Section 8 project-based voucher regulations found at 24 CFR Part 983, published October 13, 2005 and all DHCD PBV Administrative Plan requirements, which can be found on DHCD's web page at: www.mass.gov/dhcd; >Divisions; >Public Housing and Rental Assistance; >Bureau of Federal Rental Assistance.

AHTF Selection and Evaluation Criteria: Applicants must demonstrate need for vouchers, financial feasibility and readiness to proceed and be current on all mortgage obligations with the Commonwealth and its subdivisions. In addition, proposals are reviewed and selected based on the following preference categories: production of new affordable units; inclusion of affordable units for families; inclusion of affordable units for the disabled or homeless; term of affordability exceeding 30 years; provision of units affordable to households below 80% of AMI (PBV units will require income levels at or below 50% of AMI); consistency with the principles of sustainable development; and leveraging of other funding sources.

Who should apply: All applications are submitted to MassHousing. Applicants can be owners/developers who will develop rental housing either through rehabilitation or new construction in order to increase the stock and long term affordability of housing for very low and extremely low income households. Only those AHTF proposals requesting DHCD project-based vouchers submitted in response to this advertisement will be considered for selection.

Submission Information: DHCD will accept from MassHousing PBV requests for successfully funded AHFT projects beginning immediately. DHCD will publish a public notice announcing the termination of this PBV initiative when it no longer has additional funding authority to support additional PBV units under this notice. For information about the AHTF, call MassHousing at 617-854-1381. For information about how PBV can work with this program, call DHCD at 617-573-1208.